

# ***NEWS RELEASE***

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## ***OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA***

*San Diego, California*

*United States Attorney  
Carol C. Lam*

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***For Further Information, Contact: Assistant U. S. Attorney Mitch Dembin, 619-557-5558***

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*For Immediate Release*

### **NEWS RELEASE SUMMARY** - October 13, 2006

United States Attorney Carol C. Lam announced that Benjamin Munoz, III, was sentenced today in federal court in San Diego by United States District Judge John A. Houston to serve six months in federal prison. Mr. Munoz previously pleaded guilty to electronically stealing trade secrets of construction contractor T.B. Penick and Sons, Inc., in violation of Title 18, United States Code, Section 1832.

According to Assistant U.S. Attorney Mitch Dembin, who prosecuted the case, in connection with his guilty plea Mr. Munoz admitted that he had been employed as a Project Manager for Penick and Sons until August 25, 2005. By virtue of that employment, Mr. Munoz knew that Penick and Sons had drafted a bid proposal to provide concrete and related services for a proposed commercial development at Otay Ranch Town Center. After leaving Penick and Sons, Mr. Munoz was hired by a competing contractor. Mr. Munoz further admitted that on September 26, 2005, while employed by the competing contractor, he accessed the computer network of Penick and Sons from his home computer, using an account of a Penick and Sons

employee for which he knew the user name and password. Mr. Munoz also admitted that he did not have permission to use that account. After accessing the Penick and Sons computer network without authority, Mr. Munoz printed the draft bid proposal on his home printer and used the information to prepare a competing bid on behalf of his new employer, without his new employer's knowledge. Mr. Munoz knew that the Penick and Sons draft bid was confidential and a trade secret of Penick and Sons. Both Penick and Sons and Munoz's subsequent employer, among others, submitted bids for the Otay Ranch project.

Mr. Munoz's subsequent employer, after being informed of the investigation, withdrew its competing bid and cooperated in the investigation. The bid ultimately was awarded to Penick and Sons. Mr. Munoz acknowledged that the potential loss to Penick and Sons exceeded \$400,000.

In addition to having to serve six months in prison, Mr. Munoz was ordered to pay a fine of \$5,000 and a \$100 special assessment. Upon his release from prison, Mr. Munoz will be subject to supervision by the U. S. Probation Department for a period of three (3) years.

This case was investigated by Special Agents assigned to the Cybercrime Squad of the San Diego Division of the Federal Bureau of Investigation.

**DEFENDANT**

**Case Number: 06cr0831-JAH**

Benjamin Munoz, III

**SUMMARY OF CHARGE**

One Count - Title 18, United States Code, Section 1832 ( Theft of Trade Secrets)

**AGENCY**

Federal Bureau of Investigation